

# Accession of China to TIR Convention and Its Possible Impacts

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*20 Oct 2005*

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# Situation of the China's Economy and Road Transport

- In the year of 2004

GDP of China: US\$1,649.5 billion

Export and Import: US\$1,154.8 billion

Average GDP per capita: US\$1,273

# International Road Transport in China and Regional Economy Development

- China is bordered with 15 countries with 22,000 km border line.  
International road transport:
  - 7.99 million passengers
  - 10.53 million tons freights
  - Transport routes: 140
  - Border-crossings: 60
- Economic & trade development
  - 10 bilateral road transport agreements;
  - 3 multilateral road transport agreements & 1 in negotiation;
  - Rapid trade growth between China and Central Asian countries:  
In 2004, trade between China and Russia: US\$21.2 billion; between China and four Central Asian Countries: US\$5.85 billion

# Possible functions of TIR in road transport & economic development

## Possible functions of TIR in road transport

- TIR is an important factor for strategic development of the country and transport industry
- TIR can be applied in inter-modal transport
- TIR is of a matured and commonly used international guarantee system which has operated for decades
- TIR has been generally recognized by the Customs of many countries
- TIR is useful for establishing and improving integrated and harmonized Euro-Asian road transport market
- TIR is useful for upgrading national policies

# Possible functions of TIR in road transport & economic development

## Possible functions of TIR in economy & trade

- TIR is an important factor for globalization process
- TIR may bring breakthrough for trade liberalization between China and neighboring countries
- TIR is a key starting point for China to participate in international affairs

# Possible functions of TIR in road transport & economic development

## Summary

- Reduce transport and trade costs through reduction of procedures and delays in Customs clearances
- Minimize interference of non-physical barriers to transportation in border crossing
- Facilitate Customs clearances through standard procedures and documents, i.e., simplification and standardization
- Add a good practical choice for transport operators during international transport and trade
- Effectively reduce risks of smuggling and fraud
- Settle problems and disputes according to recognized convention through multilateral meetings led by international organization
- Exempt duty deposit for transport operators at border Customs

# Attention to be Paid when Considering Acceding to TIR

- Problems need to be considered
  - Domestic legislation and international treaties
    - Harmonized
  - Industrial administration regime
    - Integrated
  - Traffic rights
    - First of all, traffic rights for China's road transport operators in neighbouring countries must be assured
  - Traditional methods in road transport
    - need to change to meet the modernized transport
  - Role of industrial association
    - Represent the rights/interests of transport operators

# Attention to be Paid when Considering Acceding to TIR

- Issues need to be addressed
  - Safety and security of economy and trade/road transport
    - Through resolution of human, vehicle and road
  - Rights/interests of national and foreign transport enterprises
    - Under WTO framework
  - Transport corridor and transport facilitation
    - Step by step
  - Harmonization of standards of infrastructure and vehicles
    - Meet the international standards
  - International conventions, transport agreements and multilateral/bilateral cooperation and consultation mechanisms
    - Based on international facilitation conventions and transport agreements, long-term system



**Thanks for your attention**

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